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Santa Maria-Bonita School District

Gail M. Tissier, Ed.D.
Superintendent

SOUZA STUDENT SUPPORT CENTER
708 South Miller Street
Santa Maria, CA 93454-6221
(805) 928-1783, Ext. 235

May 19, 1998

Honorable Magalie Roman Salas
Secretary
Federal Communications Commission
1919 M Street N.W.
Washington D.C. 20554

**RE: Proposed Revision of Maximum Collection Amounts for Schools and
Libraries and Rural Health Care Providers, Public Notice, CC Docket No.
96-45 / DA 98-872.**

Dear Secretary Salas:

In response to the commissions request for comment on the above referenced notice, we have enclosed the original and four copies of our comments regarding the Maximum Collection Amounts for the School and Libraries Universal Service Program for 1998.

The Comments consist of a Table of Contents and three pages of narrative. They present an alternative to the proposed maximum suggested by the FCC in their report to Congress and in the Public Notice of the comment period.

Respectfully submitted

Dr. Gail Tissier Ed. D
Superintendent.

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Before the
Federal Communications Commission
Washington D.C 20554

Re: Proposed Revision
Maximum Collection Amounts
Schools and Libraries Universal Service Program
CC Docket No. 96-45
DA 98-872

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I. Observation's

In response to the Commission's request for comment on the above referenced notice we offer the following observations:

1. The Discount Program has been in process for over 1 year now.
2. The program has been delayed due to necessary administrative details. Applications were originally to be accepted in July 1997. They were not accepted until January 30, 1998. Funding was to have commenced in January 1998. Funding commitments have not yet been made.
3. Schools, Libraries and Rural Health Care Providers have been required to use extensive time, effort and money to prepare their requests for support under this program. Further delays could jeopardize many of the projects and add additional cost for the schools, libraries and rural health care units.

II. Alternate Proposal:

In light of these observations we offer the following alternative to proposed collection of funds for the 1998 funding cycle.

1. The Universal Service Administrative Company (USAC) fund the entire demand made by schools and libraries during the initial 75 day application window. This would require that FCC to collect \$350 million more than the proposed \$524 million each quarter for the last two quarters of 1998. This will allow a **full year of funding** for all applicants who submitted requests during the initial 75 day window for the 1998 year.
2. To relieve pressure on long distance rates that the additional \$350 million collected in 1998 might have, we suggest that USAC collect \$350 million less for the 1999 funding cycle. This would allow the contributors to the fund to recoup the additional \$350 million in funds collected for 1998, during the 1999 funding cycle and eliminate the pressure on long distance rates the additional funds collected in 1998 might cause.
3. This means that the USAC would collect \$699 million each of the last two quarters in 1998. This would allow the Discount Program to fund the entire demand estimated by the School and Libraries Corporation in 1998.
4. This would also mean that the USAC would reduce the amount collected for the 1999 funding cycle to \$436.5 million per quarter. This will result in \$1.746 billion being collected for the 1999 funding year.

III. Advantage:

The advantage to this proposal is two fold. **First**, it would fund, **for a full year**, all of the requests for 1998, which schools and libraries have prepared in good faith and at considerable

cost. **Second**, it would establish a funding limit for the program that would be well know to all potential 1999 funding year applicants prior to their preparation of applications for that year.

The above proposal would allow for funding, **for a full year**, for all request made during the initial 75 day window and relieve the SLC and FCC of prioritizing those applications.

IV. Conclusion

We share the conviction of some of the FCC commissioners that the competitive market created by the 1996 Telecommunications Act, will keep long distance rates low. The above suggestion will provide a way for the temporary pressure on long distance rates during the second half of 1998 to be relieved during the 1999 funding year.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Gail M. Tissier".

Dr. Gail Tissier
Superintendent.